

EDRP Meeting March 22, 2012 6:30 pm @ City Hall Council Chambers

****Amended 3-28-12 following Panel input**

Members Present: Dick McCracken, Tony Bilz, Ashley Schutte, Phil Kahn, Darleen Connolly, David Hertz

Absent: Mike Flint, however he listened and contributed via cell phone

Welcome by Dick McCracken

Introduction of Panel & Guests: Dave Steele with Redevelopment Commission (TIF) and Dwayne Cole with Madison Chamber of Commerce

Guests will be speaking then allowing the Panel to ask questions. There will not be public comment at this meeting as we are here to gather information.

Approval of Minutes: All approved

Introduction of 1st Speaker: Dave Steele

Dave began with the definition of Redevelopment Commission/TIF and when it was formed. He shared printed materials with the panel and public. *"Tax increment Financing or (TIF) is a tool which captures assessed value and new property taxes from new development in a designated area *(Pg. 3 of Handout). New businesses in a TIF Area still pay property taxes on their new private investment. The incremental taxes are captured for projects. The other taxing units forgo the increase in assessed value during the term of the TIF Area" *(Pg. 4 of Handout).* The mission of the TIF Board is to offer incentive to locate business in our area and for reinvestment and improvements in the zone. Our TIF has 5 members. 3 appointed by mayor and 2 by city council. There is 1 nonvoting member representing our School Board. TIF Board makes recommendations to the Council then Council approves, rejects, or makes suggestions for change. Current Board members are Dave Steele, Tammy Green, Matt Forrester, Joe Craig, Gary Sparks and Todd Bass is the nonvoting member. North Madison TIF Zone area was outlined *refer to printed map. TIF can be used for utilities, land acquisition, building and equipment, improving access, etc... Our TIF Board is on a "pay-as-you-go basis" rather than to make debt service payments on bond. TIF Calculation is based on pg. 14 of handout:

Current Net Assessed Value - Base N.A.V. = Incremental A.V.

Incremental AV x Tax Rate = TIF

*Refer to Pg. 1 of Tax Increment Report from Umbaugh & Associates: *"For 2011 tax year payable 2012, the incremental assessed value reported by the County Auditor's office was \$43,343,154. The incremental assessed value is multiplied by the 2012 tax rate per \$100 assessed value and reduced by the Circuit Breaker Tax Credit to calculate the estimated Tax Increment of \$1,066,111 for taxes payable in 2012."*

Questions from Panel: Phil asked about the training allowance listed on the handout...Dave said, so far, it hasn't been tapped. The allowance is \$150,000 though. David Hertz asked if the businesses know about it, Dave Steele said, they do.

Tony Bilz asked if the zone is all commercial and if the values have dropped. Dave said it is all commercial and that values dropped a bit in 2008 but they are fairly stable...even during the recession. Umbaugh & Associates met with TIF Board this past Wednesday to present expectations of market values in upcoming future. **They provided 2 packets referred to earlier in these minutes.

Dick McCracken asked if more zones can be added to our city.... Dave replied yes and added that almost every county in Indiana has at least one TIF Zone. He knew of 2 exceptions to this but they are both counties with casinos. Having a TIF zone makes Madison highly competitive with regard to attracting business. The State is where the process begins though. They have a list of guidelines they check off as they make their recommendation to the business.

The City has a contract with Economic Development Partners. EDP meets with businesses to see what they need so we can meet those needs. Business attraction leads are provided by EDP and EDP gets leads from the State level and other sources.

Phil Kahn asked how they prioritize the budget... Dave said the Board meets to go over projects and they agree on the priority that should be applied based on the greatest impact of change/improvement.

Dave stated that our biggest opportunity for expansion is to expand existing companies right now.

There are no term limits to TIF Board members, 3 serve at the pleasure of the Mayor.

Dick McCracken asked about collaboration between other county TIF Boards... Dave is unaware of this but he did say that our Board collaborated with Jennings on a project.

Darleen asked if TIF works mainly with industry rather than small business...Dave confirmed this.

Call was made to Mike Flint at this time so he could listen/contribute to next speaker.

***Mike did not listen in on TIF as he is very familiar with the TIF process.*

Introduction of 2nd Speaker: Dwayne Cole, Board President for Madison Chamber of Commerce:
Dwayne gave binders to each panelist.

Dwayne began with a brief autobiography. Dwayne supports 4 offices in JC and 5 other offices in adjacent counties. The MCC works with EDP/Corey Murphy as a collaborate effort to bringing training, etc... to businesses in our area. The Mission is to develop and lead businesses with 1 clear voice. The Chamber recently met with Shellie Williams on how to build their Strategic plan. There are 5 points to the plan, refer to binder. They are currently enhancing the Chamber website so it is very user friendly and accurate. In May or June it should be Live. Dwayne explained each TAB of the binder. The Chamber has 376 members. They offer seminars, training, and technology, whatever is needed. Their budget is written

as funds are available. They are trying to be sustainable. Andy Sons is an asset they offer as a tool for small business. He will meet with prospective owners to construct a business model for success. Katie Wood visits area businesses to discuss ways the chamber can help them and to promote membership. As the Voice of area business, sometimes the Chamber takes an unpopular role but it is worth it to be an actual "voice".

Panel questions:

Tony asked how Corey impacts the Chamber... Dwayne stated that he is a vital asset. He provides leadership and he and Linda Knoebel are actually shared employees between EDP and the Chamber. EDP and chamber have discussed merger. *Tom Tickner did a study on this topic*, (this study is included in the minutes). Based on this study they have an alliance now.

Dick asked what the relationship is between our Chamber and the downtown committees....Dwayne said they have little to do with these committees, they at one time set up some of the committees but now they prefer to work independently on downtown projects.

Dick asked who hires the Executive Director.... Dwayne is not sure.

Darleen asked what the biggest roadblock...is. Dwayne said it is funding.

Meeting Adjourned at 7:50pm.